Equity, Gentrification, and Light Rail

Prepared by
Kelcie Young
Research Assistant, University of Minnesota
Conducted on behalf of
Central Corridor Equity Coalition
December, 2009

This report (NPCR 1309) is also available on the CURA website:
www.cura.umn.edu/search/index.php

December, 2009

Neighborhood Partnerships for Community Research (NPCR) supported the work of the author of this work, but has not reviewed it for publication. The content is solely the responsibility of the author and is not necessarily endorsed by NPCR.

NPCR is coordinated by the Center for Urban and Regional Affairs at the University of Minnesota. NPCR is supported by the McKnight Foundation.

Neighborhood Partnerships for Community Research
330 Hubert H. Humphrey Center
301 - 19th Avenue South
Minneapolis, MN 55455
phone: 612/625-1020
e-mail: ksn@umn.edu
website: http://www.npcr.org

Equity, Gentrification, and Light Rail:

An analysis of community change and policy tools to prevent displacement in the Central Corridor

Prepared by Kelcie Young

Research Assistant, University of Minnesota

Conducted on behalf of the Central Corridor Equity Coalition

May, 2007

May, 2007

This project was supported by Neighborhood Planning for Community Revitalization, a program of the University of Minnesota's Center for Urban and Regional Affairs (CURA). The contents of this report are the sole responsibility of the author, and are not necessarily endorsed by the University, CURA, or NPCR.

Acknowledgements

Special thanks to Veronica Burt, Nieeta Presley, Ed Goetz, and Kris Nelson for their guidance and advice on this project, and to all community interviewees for their time.

Executive Summary

The Central Corridor Equity Coalition requested research on the impacts of light rail transit on community change and displacement. This report is a summary of previous academic research on gentrification and light rail, followed by a census analysis comparing communities before and after light rail construction. This analysis reveals questionable ties between LRT and gentrification, but communities must still act to address concerns and prevent displacement. The next section describes tools and programs to prevent displacement, followed by a summary of advice from other communities. Overall, a comprehensive displacement prevention strategy requires prior planning, a coordinated effort including partnerships, and a diverse set of funding resources.

Background

In 2001, work began on a proposal for an 11 mile light rail transit (LRT) line connecting the Minneapolis and St. Paul downtowns along University Avenue. In April 2006, the Ramsey County Regional Rail Authority published a Draft Environmental Impact Statement (DEIS) as "a means to analyze environmental, social and economic factors and consider environmental impacts, alternatives and mitigation strategies in the planning and decision-making process" (Metropolitan Council 2007). The 45 day public comment period commenced when the DEIS was published. As part of the DEIS, the Metropolitan Council addressed impacts of the LRT on residents and businesses, and ultimately concluded an overall positive benefit to the communities. While the DEIS does acknowledge potential negative impacts, the predicted benefits will, according to the DEIS, outweigh the social and environmental costs (Metropolitan Council 2007). However, community members do not believe the DEIS adequately considers these impacts, or provides sufficient mitigation tools.

As published in the Comment on the Central Corridor Alternatives Analysis and DEIS by the Central Corridor Equity Coalition (CCEC), the CCEC said the document failed to acknowledge all potential impacts of the LRT alternative. The CCEC is a grassroots group of community organizations representing the area between Lexington Avenue and Rice Street along University Avenue. Because the area has a high concentration of low income and minority residents and businesses, the CCEC works to address equity impacts of the LRT.

Project Overview and Definitions

The Central Corridor Equity Coalition seeks to develop a comprehensive approach to preventing displacement in the Central Corridor communities. Residents and community representatives fear the Central Corridor will fundamentally alter their neighborhoods by pricing out residents and businesses; therefore they seek to preserve community identity, preserve affordability, and provide stability, while also working to ensure the success of residents and businesses. While the community groups have worked toward these goals since before the light rail proposals, the new LRT has made these ideas more pressing. These goals can be expressed as a set of sometimes overlapping objectives as follows:

1. Retain longtime residents, including renters and homeowners
2. Ensure affordable housing, including a diverse mix of housing opportunities for rental and ownership
3. Maintain and increase access to jobs
4. Retain or improve current levels of public transportation access
5. Encourage cultural revitalization
6. Secure financing for programs and initiatives led by community groups

These objectives must be tailored to three specific time periods: before the rail construction to stabilize, during the rail construction, and after to provide long-term stability.

This project aims to focus on the goals of CCEC through additional objectives:

1. Identify if fears that light rail will cause displacement are justified

2. Analyze census data before and after light rail construction to determine whether significant changes in population have occurred during that time period

3. Interview contacts in low income, minority communities to gain their perspectives on how light rail has changed their communities, and techniques or strategies they used

Displacement in the University Avenue corridor has implications for all Twin Cities residents. According to PolicyLink (www.policylink.com), displacement of low income or working families causes an increased demand for subsidized housing, social services, and an unstable workforce. Additionally, the opposition caused by concerns about displacement could slow or block the light rail proposals if not adequately addressed.

In order to determine whether new LRT lines correlate to changing community demographics, I examined areas in which new rails were constructed. My claim that communities that constructed new LRT would show an increase in income and decrease in minorities is based on anecdotal evidence of those trends. After summarizing previous research about LRT and community change, I will define gentrification. Next, a description of the University Corridor provides a comparison to other similar communities. Data methodology and analysis follow, with a description of each rail system.

While many studies have examined the impacts of light rail on housing property values (Diaz 1999, Bowes and Ihlanfeldt 2001, Cervero, et al. 2001), these studies have not adequately addressed demographic changes resulting from light rail. Loretta Lees argues for the deconstruction of discourse on urban policies geared toward improving city life by improving liveability and sustainability, because she views this type of governmental action as directly and indirectly tied to gentrification (2000).

Previous researchers have analyzed the impact of rail transit on property values. These studies show mixed results, but most indicate some positive impact of rail on property values. In Philadelphia and the Bay Area of California, property values near rail showed increased property values for single-family homes near rail; also, properties directly on rail lines showed decreased values (Cervero and Duncan 2001). However, other researchers found no significant impact on properties near rail in Miami (Cervero and Duncan 2001). Interestingly, properties near transit in Atlanta decreased in value if they were in upper income neighborhoods, but increased in low-income areas (Nelson 1992), which may be because higher income neighborhoods do not value accessible public transit, but rather may view these uses as a nuisance (Diaz 1999). Of 13 studies of property values that included access to rail as a variable, 10 showed a positive impact ranging from 3.8 percent to 10.6 percent. The other three showed a neutral or negative impact of rail (Diaz 1999). Bowes and Ihlanfeldt attribute these mixed results to a failure to account for the impacts of rail stations themselves, rather than incorporating neighborhood characteristics (2001).

Bowes and Ihlanfeldt conducted a hedonic price analysis (an analysis with multiple characteristics) in order to determine what factors cause positive or negative property value impact. These researchers examined positive impacts due to greater access to transit, increased businesses and services in the area due to the rail; negative factors included nuisance impacts such as noise or pollution, and increased crime due to easier access by outsiders. Their findings show a negative impact in the quarter mile surrounding a station, but significantly increased property values 1 to 3 miles from a station as compared to further distances from the station. They conclude neighborhoods directly adjacent to the station suffer negative externalities, while residents slightly farther away can reap access benefits without the externalities (Bowes and Ihlanfeldt 2001).

Levy et al. define gentrification as a process by which high-income households move in to low-income neighborhoods, causing an increase in property values, which then causes displacement of the low-income residents. They also identify changes in racial composition as a component of gentrification; additionally, gentrification can be a result of increased neighborhood investment which cause new residents to move there (Levy et al. 2006). Not all definitions of gentrification are uniform, however; not all definitions include displacement as a necessary outcome. Low income residents may not be able to afford to move, or new development could occur on previously undeveloped parcels. However, most modern definitions stress the racial and class tensions which can result from new middle and upper income residents moving in (Kennedy and Leonard 2001).

Displacement may occur as a direct consequence of a policy or program, as was the case during urban renewal. Displacement can also occur as an indirect result of neighborhood change, when low income residents move because they can no longer afford higher rents, increased property taxes, or they no longer feel welcome in the neighborhood. Kennedy and Leonard identify this type of change as “involuntary displacement” since residents would prefer to remain in their neighborhood, but cannot afford to (2001). Levy et al. stress that low income families face a set of challenges to remaining in gentrifying neighborhoods, such as market forces increasing housing costs, and social changes within a neighborhood (2006).

According to community organizations in the University Avenue corridor, the concerns over displacement focus on changes in race and income. These changes are better documented by studies of gentrification (Lees 2001). If gentrification as defined by changes in racial makeup and median income is indeed a result of light rail, then the University Avenue community can pursue policies to mitigate these impacts.

The University Avenue community seeks information regarding how light rail has impacted communities similar to itself. Ward 1 in St. Paul, the general area of concern to the CCEC, encompasses the area between Snelling Avenue and I-35E, and Front Avenue and Summit Avenue (CamCity Planning 2006). University Avenue cuts through the middle of Ward 1, so concerns about the impacts of rail on neighborhood composition are focused in this area. In Ward 1, housing prices have increased over the last 15 years, making housing affordability a concern. While median incomes are similar to St. Paul as a whole, higher income residents are concentrated near Summit Avenue. Especially North of I-94, Ward 1 has a high poverty rate and high unemployment. Previous analysis has recommended an increase in affordable housing, increasing home ownership, and business improvement in order to meet community needs (CamCity Planning 2006).

Methodology

This study analyzes census data for the tracts surrounding previously built light rail projects. This longitudinal analysis will compare gentrification indicators in neighborhoods in cities in the United States for 1990 and 2000 which had a new light rail constructed during the 1990s. Neighborhoods were chosen due to a light rail stop or station within the community, and a high percentage of African-American residents in 1990 (more than 50%). Data were collected for the census tract in which the station is located; if the census tract was not at least 10 city blocks in length, multiple tracts were chosen. Additionally, another census tract adjacent to the study tract but not adjacent to the rail was chosen for comparison. If all adjacent tracts were abutting the rail line, then a tract nearby with a similar demographic composition for 1990 was chosen for the comparison tract.

Since major components of gentrification as indicated by the literature are changes in racial composition and income, these variables were chosen for the longitudinal analysis. The variables chosen for 1990 data were race and per capita income; the 200 variables were total races tallied (to best match with 1990 data) and per capita income. 1989 income data was converted using the Bureau of Labor Statistics' Inflation Calculator: http://data.bls.gov/cgi-bin/cpicalc.pl

The five light rail projects for which census data is compared are: Baltimore (completed 1992), Denver's RTD Light Rail (completed 1994), and one heavy rail project, MARTA, in Atlanta completed in 1992. Many of these cities have since added additional lines, or completed other lines before the study period; the dates given above indicate the year of completion for the study stations. I chose these case studies because the rail lines opened between 1990 and 2000; census data for before and after are therefore available for this time frame.

Station Area Description and Results

Atlanta

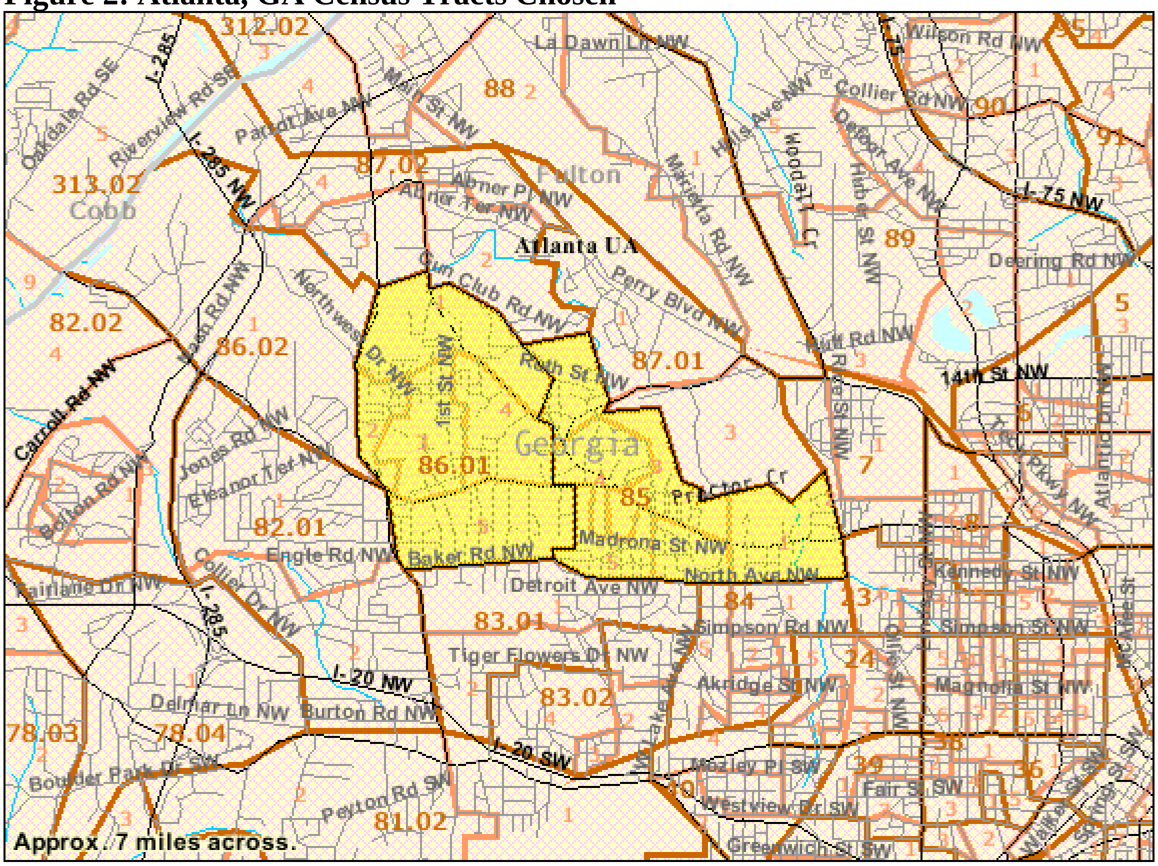
The Metropolitan Atlanta Rapid Transit Authority (MARTA) first began rail service in 1979 (MARTA 2007); in 2006, MARTA served 69,209,027 rail riders and had 38 miles of track (MARTA 2006). The rail system has continuously added new rail lines since then, extending rail service to the Bankhead station in 1992 as shown in Figure 1 below.

Figure 1: MARTA System Map

http://www.itsmarta.com/getthere/schedules/index-rail.htm

The Bankhead station is located about three miles Northwest of downtown Atlanta. Census Tract 85 was chosen as the station area tract, and tract 86.01 is the comparison tract, as shown in Figure 2 below. I chose these tracts because the 1990 census data reflected a population with a much lower per capita income than the national value of $19,373 (see Table 1), and with a higher minority concentration of African-Americans than the national average of 15 percent (US Census). These demographic indicators are similar to those for the University Avenue corridor. The comparison tract showed similar minority and low-income concentrations.

Figure 2: Atlanta, GA Census Tracts Chosen



www.census.gov

Between 1990 and 2000, the study tract per capita income increased; however, per capita income increased more in the comparison tract. The data seem to show that the presence of a light rail is not associated with higher income levels in the study tract, but instead tempered income increases when compared to the similar tract nearby (see Table 1 below).

Table 1: Income Changes, Atlanta, GA 1990-2000			
	Per capita income in 1989 (converted to 1999 dollars)	Per capita income in 1999	% Change
Census Tract 85, Station Area	$10,851.84	13,331	0.228455
Census Tract 86.01, Comparison Area	$8,953.41	12,949	0.446265

Source: US Census

Racial composition did change over this time period, as shown in Table 2 below. The percentage of African American residents for both the study tract and the comparison tract decreased slightly over the time period. However, both tracts had high concentrations of African-Americans before and after the light rail opened. While small changes in racial composition may have occurred, income showed a more drastic change. These trends could have multiple explanations. Based on the data, new African-American residents may have moved in. Alternatively, residents may have experienced an increase in incomes.

Table 2: Changes in Race, Atlanta GA 1990-2000				
	Total population 1990	%African American 1990	Total Population 2000	% African American 2000
Tract 85, Fulton County, Georgia	4582	0.991706678	4,846	0.9766818
Tract 86.01, Fulton County, Georgia	5803	0.98483543	5,873	0.97428912

(Source: US Census)

Baltimore

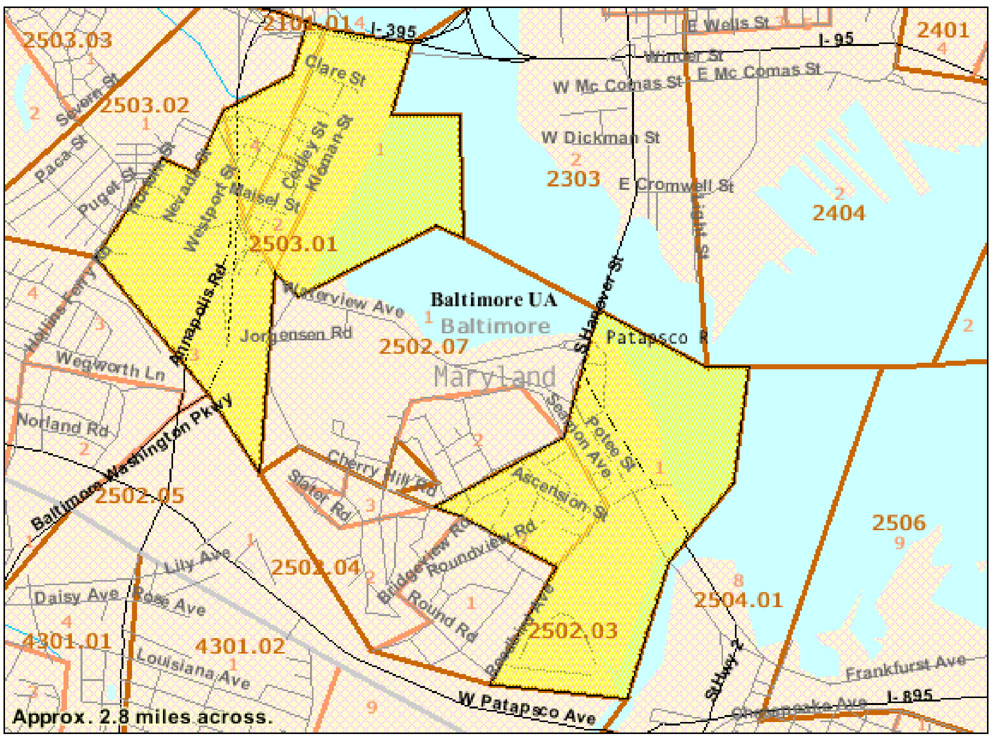
Baltimore, Maryland began light rail service in 1992. In 2004, the Maryland Transit Administration light rail system served 5,818,146 riders (MTA Maryland 2007). The first line (indicated in yellow, see Figure 3) passed through the Cherry Hill neighborhood just south of the Baltimore central business district.

Figure 3: Baltimore Transit Map

www.mtamaryland.com

The study tract is 2503.01, as shown in Figure 4 below. This tract contains two light rail stops in low-income minority areas, as indicated on the map above: Westport and Cherry Hill stations. Tract 2502.03 was chosen as the comparison tract because it is not directly adjacent to the light rail, but showed similar demographic characteristics. Although the comparison tract has a higher concentration of African-Americans for 1990 than the study tract, minorities comprised a majority of the population in both tracts.

Figure 4: Baltimore, MD Census Tracts Chosen



www.census.gov

Between 1990 and 2000, per capita incomes in the study tract did increase, but not as much as the comparison tract, as indicated in Table 3 below. This again could indicate the light rail is not correlated with an increase in incomes in the immediate surrounding neighborhood.

Table 3: Income Changes, Baltimore, MD 1990-2000			
	Per Capita Income 1989, converted to 1999 dollars	Per Capita Income 1999	% Change
Tract 2503.01, Study Tract	11,335.52	12,558	0.107845
Tract 2502.03, Comparison Tract	$10,984.85	14,182	0.291051

Source: US Census

The percentage of African-Americans in the study tract increased between 1990 and 2000, while this percentage decreased slightly in the comparison tract (see Table 4). Note the comparison tract had a higher percentage of African Americans to begin with.

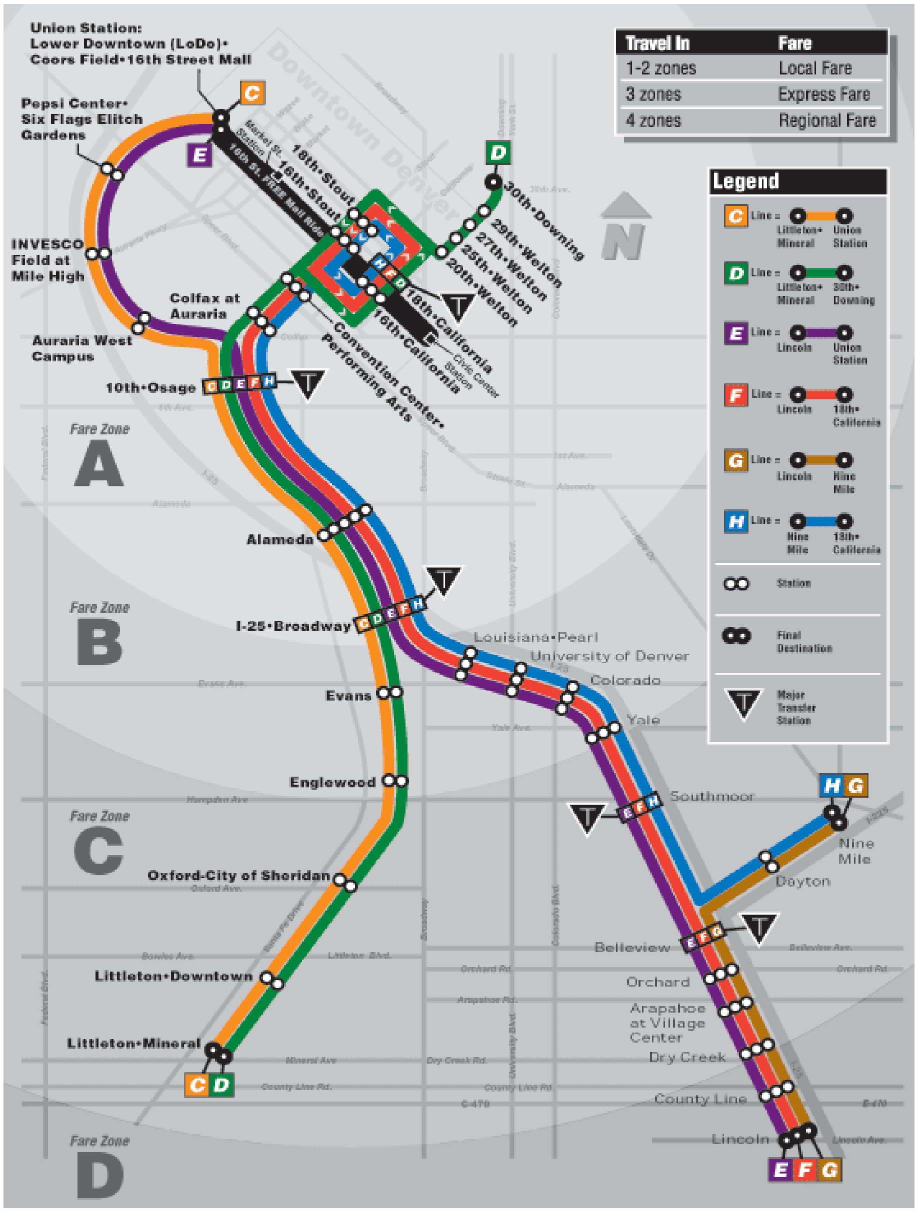
Table 4: Changes in Race, Baltimore, MD 1990-2000				
	Total Population 1990	% African American 1990	Total Population 2000	% African American 2000
Tract 2503.01, Study Tract	1614	0.633209418	1,090	0.7633028
Tract 2502.03, Comparison Tract	2628	0.991628615	1,852	0.962203

Source: US Census

Denver

Denver began light rail service on the Central Corridor Green Line in 1994. This line is 5.3 miles long and is part of a greater light rail system 15.8 miles in length. The whole system serves about 30,000 riders a day on average (RTD Denver 2007). Northeast of downtown Denver, the line runs through the Five Points neighborhood (labeled D on the map below).

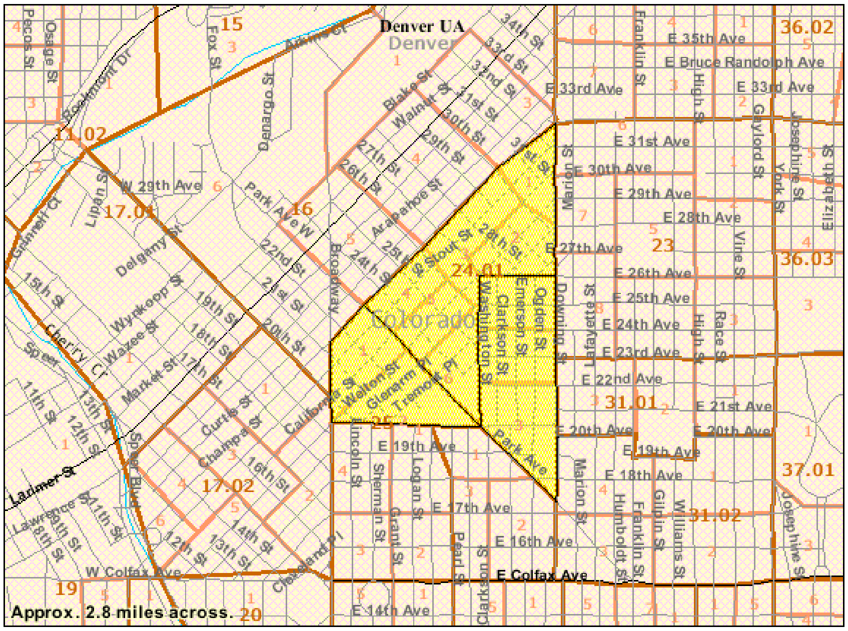
Figure 5: Denver RTD System map



http://www.rtd-denver.com/

Census tracts 24.01, 24.01, and 25 comprise the 1990 study tracts, which changed to tracts 24.02 and 24.03 in 2000, but the tracts represented the same area. The comparison tract is 31.02 for both years. This neighborhood has a high concentration (though not a majority) of African-Americans and a low per capita income for 1990 (US Census).

Figure 6: Denver Census Tracts Chosen



www.census.gov

Between 1990 and 2000, per capita incomes did increase on average in all census tracts. Again, incomes did not increase as much in the study tracts as in the comparison tract, as shown in Table 5 below. Interestingly, one of the study tracts (24.02) shows a slight decrease in per capita income; this is evened out by large per capita income increases in Tract 24.01.

Table 5: income Changes in Denver, CO 1990-2000	
	Per Capita Income 1990, Converted to 1999 Dollars
Tract 24.01, Study Tract	13,632
Tract 24.02, Study Tract	12,913
Tract 25, Study Tract	14,420
Average	13,655
Tract 31.02, Comparison Tract	11,260
	Per Capita Income 2000
Census Tract 24.02, Study Tract	18,044
Census Tract 24.03, Study Tract	12,776
Average	15,410
Tract 31.02, Comparison Tract	17,436

Source: US Census

Percentages of African American residents did decrease over this time period. However, the percentage of African-Americans decreased across the Five Points area, in both the study tracts and the comparison tract. This could indicate changes on a greater geographical scale than this study compares.

Table 6: Changes in race, Denver, CO 1990-2000		
	Total Population 1990	% African American 1990
Tract 24.01, Study Tract	2655	0.450094162
Tract 24.02, Study Tract	1348	0.582344214
Tract 25, Study Tract	551	0.473684211
Average		0.502040862
Tract 31.02, Comparison tract	1298	0.307195174
	Total Population 2000	% African American 2000
Census Tract 24.02, Study Tract	1,725	0.416811594
Census Tract 24.03, Study Tract	3,800	0.353421053
Average		0.385116323
Tract 31.02, Comparison Tract	2,802	0.22

Source: US Census

Discussion

The following figures show changes over time in a format more easily comparable across all three cities. Figure 7 shows changes in racial composition, while Figure 8 shows changes in per capita income.

Figure 7: Changes in Racial Composition Across All 3 Cities

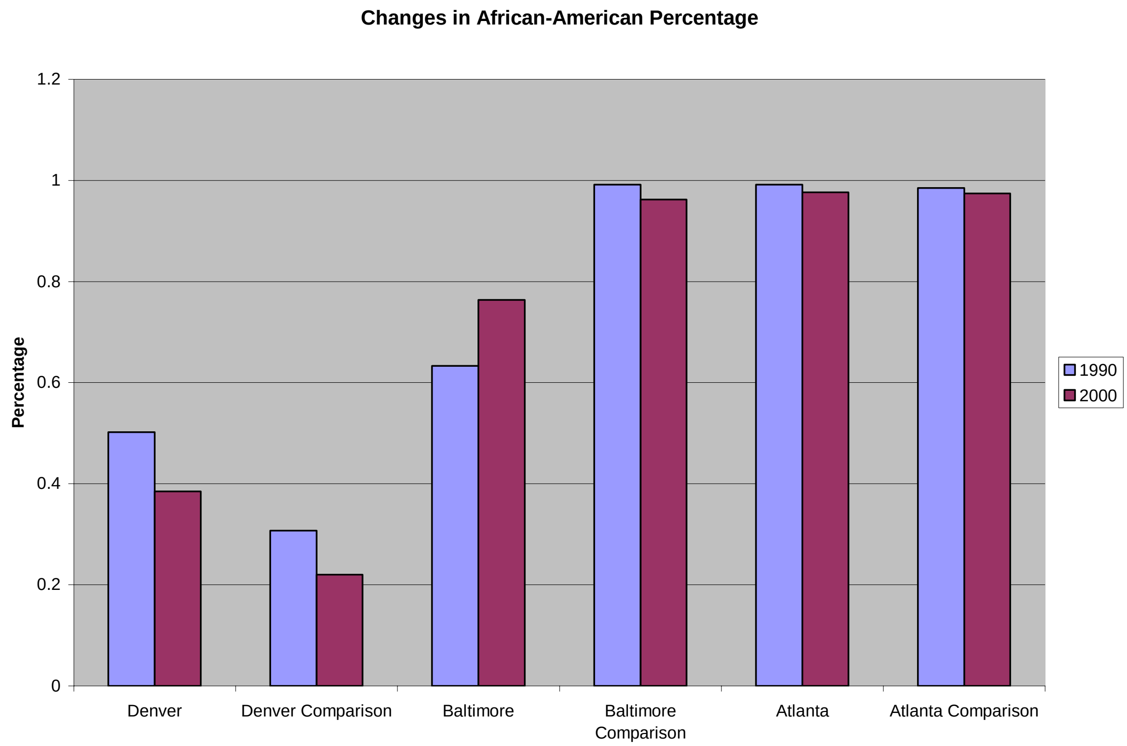
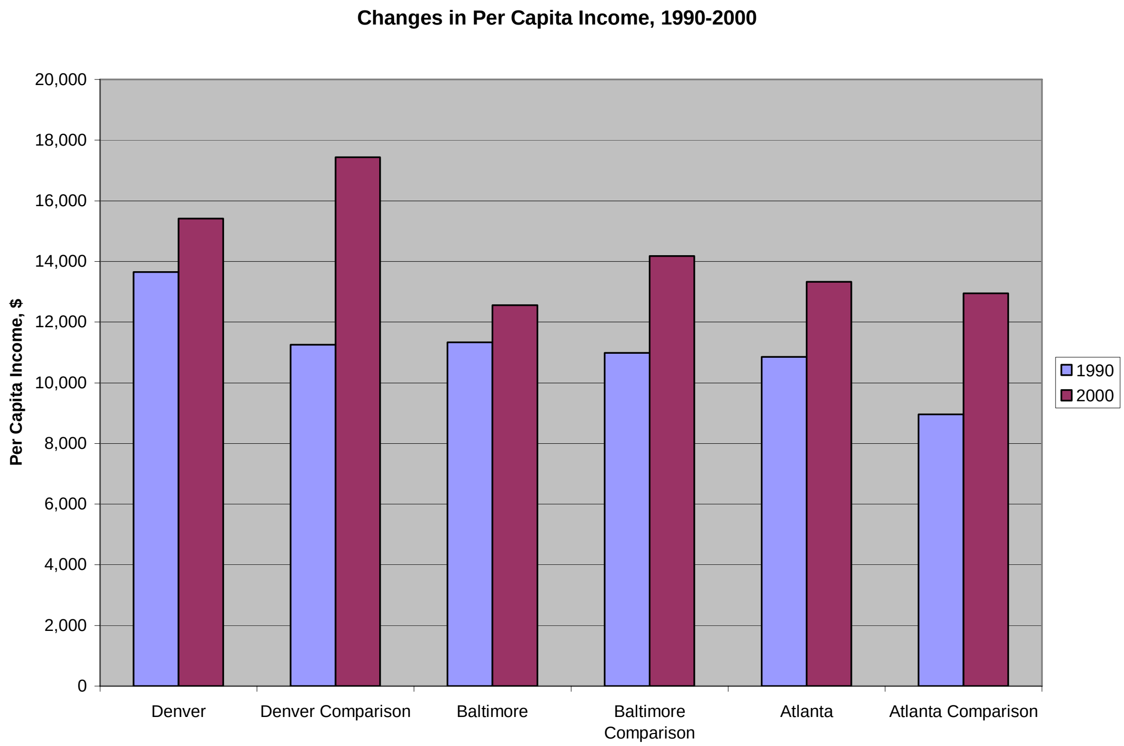


Figure 8: Changes in Per Capita Incomes across all three cities



The analysis of previous rail projects in other cities does not support the claim that LRT causes changes in community composition. Several plausible explanations for this exist:

- Light rail does not cause gentrification. If gentrification is defined as a change in income and race, the data do not support this assertion.
- Light rail does cause gentrification, but these trends are not accurately captured by census data. This explanation seems unlikely, as the data should reflect those trends if they occurred. However, the data do not show strong enough patterns to rule out this possibility.
- Light rail is correlated with community change, but does not cause it. The data reveal changes have occurred over the 1900-2000 time period, but defining a trend for these data is difficult. However, all three cities showed a

lesser increase in incomes in tracts with a light rail present. This seems parallel to previous research indicating light rail decreases property values in the immediate surrounding areas. This explanation seems closest to the truth, since assigning causality would be shaky even if a strong trend were present.

Policy Implications

Based on my analysis, community groups and the Metropolitan Council should continue examining displacement associated with light rail. Despite the lack of evidence tying LRT to gentrification, stakeholder groups can still work to prevent displacement. Even if trends vary across the country, the data show the uncertain and unstable future of a community considering light rail. Governmental and nongovernmental organizations should work together to actively prevent displacement. Community groups such as District Councils and Neighborhood Development Corporations can advocate for equitable development measures, including programs to stabilize residents and business owners, and to preserve affordability. The Metropolitan Council can work toward displacement prevention by working with these community groups to find collaborative solutions.

Strategies to Prevent Displacement

In order to construct a comprehensive set of tools to prevent displacement, I summarized the programs and policies currently available for preventing neighborhood change. The evaluation of these tools for use in the Central Corridor is guided by discussions with community contacts in other cities in the United States.

Because little information is available about preventing displacement as a direct result of LRT, other lenses for preventing displacement provide additional strategies helpful to the Central Corridor. Equitable Transit Oriented Development (TOD) strategies seem especially important for the University Avenue Corridor since future development is a major concern. TOD is characterized by mixed-use, higher densities, including housing, which enables a greater diversity of transportation options such as walking, biking, and public transit. The increase in density also could improve the success of public transit infrastructure.

According to Reconnecting America, urban markets have responded to TOD positively through increased property values and investments (Zimmerman 2006). TOD projects can in theory benefit low-income communities by encouraging a mix of income levels and lowering transportation costs. The Housing and Transportation Affordability Index rates the cost effectiveness of a neighborhood by including transportation and housing costs in relation to income, rather than housing alone (Miller 2003). However, low income renters risk losing their housing if absentee owners sell their properties to new development; also, TOD housing markets support market rate housing, which provides no incentive for affordable housing (Poticha 2006).

PolicyLink has identified 11 principles of equitable TOD (Pollack et al 2006):

1. Ensure community benefit
2. Maintain affordability
3. Prevent displacement
4. Encourage community controlled housing
5. Improve environmental quality

6. Promote environmental justice
7. Achieve full accessibility
8. Boost transit use
9. Plan for transit growth
10. Encourage local economic development
11. Understand the local context.

Since these principles overlap with the Central Corridor Equity Coalition goals, equitable TOD techniques would likely fit their objectives as well. PolicyLink describes six techniques for achieving equitable TOD: apply equitable criteria to all TOD projects; build more affordable housing in TOD projects, revitalize communities without displacing residents and businesses, foster community health and environmental justice, demonstrate equitable TOD through successful projects, and incorporate TOD in long-rage planning (Pollack 2006). Specific tools for achieving equitable development hinge on policies that can be separated into housing related tools or business related tools.

Affordable housing tools

Techniques for preserving affordability and retaining residents may help combat displacement. These include housing land trusts, tax incentives for renters, down payment assistance, and funds for housing rehabilitation (Poticha 2006). Housing is considered affordable if a household spends no more than 30 percent of its income on shelter. Additionally, affordability levels are usually discussed in terms of area median income (AMI), so that low income housing refers to shelter affordable for populations earning 80 percent of the AMI. Furthermore, very low income affordability refers to households earning 50 percent of the AMI, and extremely low income refers to those earning below 30 percent of the AMI (www.policylink.org). Affordable housing tools can be grouped into categories: tools regulating the private housing market, tools to create nonprofit affordable housing, tools to encourage limited-equity housing opportunities, tools to increase affordable ownership housing, tools that work with market-rate housing developers, and tools to preserve public housing (www.policylink.com).

According to PolicyLink, the best affordable housing tools to prevent displacement of low income renters deal with regulating the private housing market (www.policylink.com). These tools would include rent control, just cause eviction standards to prevent unfounded evictions, and conversion controls and transfer taxes to prevent affordable housing turnover into market-rate housing. Another method to improve neighborhood stability and build financial security is to increase affordable housing opportunities for ownership. Nonprofit developers have the greatest chance to provide these opportunities, which can come in the form of limited-equity ownership: also known as cooperative housing. This method decreases the cost of home ownership but provides permanent solutions as well. Community Land Trusts provide another tool, where the land is permanently owned by a community organization, which prevents conversion to market-rate housing.

The major weakness of nonprofit or community funded programs is the prohibitive cost. For that reason, tools that leverage developers provide a funding tool for affordable housing that decreases the monetary burden on community groups (www.policylink.com). Inclusionary zoning techniques provide incentives to developers for including affordable housing in new developments. These incentives can take the form of waivers of zoning requirements such as height or density obligations, infrastructure requirements, or faster permitting. Minneapolis passed density bonus legislation in 2003, which allows developers a 20 percent increase in density if they provide 20 percent of the units at affordable rates (Miller 2003). Some inclusionary zoning policies may be voluntary, but mandatory policies provide more affordable units on average (Brown 2001). Inclusionary zoning is typically used in fast growing areas with mostly market-rate housing (Brown 2001), and the Central Corridor area already has a large concentration of public housing and other low income housing opportunities compared to suburban developments. While inclusionary zoning may be better suited to making sure new developments provide opportunities for low income residents in a mostly higher income neighborhood, this technique could be beneficial to the continued affordability of the University Avenue area.

Business Retention Techniques

Businesses along LRT lines face challenges for continued success during construction and in the long term. While the LRT is being built, businesses may receive decreased patronage if roads and entrances are blocked. However, if the businesses work together with the cities to prevent business closure, communities can absorb positive benefits of light rail through economic growth. This success is tied to the city and transportation authority viewing the LRT as a community improvement project, rather than simply a transportation improvement (Houston Tomorrow 2006).

Portland used a set of programs to ensure business success during and after LRT construction. This success is attributed to a partnership between the city, Portland Development Commission, Albina Bank, and the Cascadia Revolving Fund. Business assistance came in the form of loans, technical assistance, and façade improvement funds (Houston Tomorrow 2006). Although the funds were targeted for before and immediately following construction, this assistance also likely ensured ongoing success of businesses by making them more attractive to the new customer traffic generated by the LRT. The lesson here is that collaborative programs that help businesses during construction but also improve them long term will be most successful in retaining small businesses.

Seattle's Rainier Valley provides an example which underscores the lessons learned in Portland. Federal Transportation Agency Funds provided signs and marketing during construction to remind customers that businesses were still open (Houston Tomorrow 2006). Construction mitigation in the Rainier Valley area helped businesses in the short term, while other programs helped ensure long term economic growth to support the small businesses. The mayor declared the Southeast Seattle Action Agenda, which included business and job creation strategies; for example, the Office of Economic Development provided loans and technical assistance to immigrant owned businesses, as well as a community marketing campaign (www.seattle.gov).

These tools translate well to the University Avenue corridor, where business would likely benefit from façade improvements and technical assistance. The proposed marketing initiatives to brand the University Corridor as an international cultural area would help economic growth. Overall, the best course of action would be through some programs during construction, with a suite of long term solutions to ensure economic vitality to small, minority-owned businesses along the corridor.

Advice from Other Communities

Through conversations with members of the East Cesar Chavez neighborhood in Austin, Texas I received advice for achieving equitable development and TOD. George Adams with the City of Austin described the history of community involvement from the East Cesar Chavez area. In 2000, a failed proposal for a light rail brought about conversations regarding an 11 acre area owned by Capitol Metro, the transit authority. As part of this redevelopment project, they formed a Community Advisory Group (CAG). After this initial partnership with the city, Capitol Metro decided to pursue a commuter rail, which will begin in 2008. Additionally, Roma Associates put together the Master Plan in 2005 with a revised version in 2006 for the Saltillo District Redevelopment; this proposal included input from the CAG (Adams 2007).

The Master Plan delineates affordable housing requirements, and it should be noted the affordability requirements here are much stronger than previous city development projects. This mixed use development proposal includes housing, retail, and flexible space. Overall, the CAG felt the Master Plan had included affordability concerns, but not adequately enough (Rogers 2007). The CAG now has a broader scope, discussing additional planning processes such as Station Area Planning. Mark Rogers of the Guadalupe Neighborhood Development Corporation and a CAG member said that the role of the CAG has been as a watchdog group that keeps in contact with the broader community. According to resident John Limon, the CAG sees the TOD project as an opportunity to make a cultural hub for newcomers and tourists, but to keep the Hispanic feel.

Anecdotal reports reflect a changing, gentrifying neighborhood. Limon said the neighborhood began changing before the Saltillo redevelopments. Rogers related that Austin does not have a framework to deal with gentrification, and is in the infancy stages of dealing with issues such as vertical mixed use and community land trusts. The Saltillo District borders downtown; the prime location has spurred rapid change in recent years with increasing costs in other areas near downtown.

Longtime resident Lori Renteria identified the lack of political resistance as an additional factor driving new development in the area. Renteria has been involved with community policing efforts, and the decrease in crime in recent years also fueled development pressure (Renteria 2007). The warehouses on the Western edge of the Saltillo District have been converted into cafes and film industry offices (Limon 2007).

So far, the vertical mixed use projects have been far outside the price range of current residents. New construction of loft style condos have an affordability requirement, but these requirements only stipulate 40% affordable units for 80 or 100 percent of the average median income. Rogers reports these units are often one bedroom, not the three bedroom units families in the area would need (Rogers 2007). According to Adams, changes in affordability have impacted the elderly and low income renters the most. Additionally, historic patterns of neglect and rapid change following a more stagnant period of 10 years with little new development have only made the changes hit harder (Adams 2007). Renteria said residential property taxes have increased 400 percent in recent years, while business property taxes have increased 1200 percent.

Rogers said the current incentives for affordable housing are not enough when compared to the potential financial gains from market rate housing (Rogers 2007). One strategy some affordable housing advocates have suggested is to get as many units as possible affordable at 80 percent median income, then negotiate to lower the affordability level to 60 percent using bond funds later (Rogers 2007).

Negotiations between the CAG and the city have stalled recently while the commuter rail was in the approval process, but the approval allowed the CAG to take a broader focus. Adams reports a variety of opinions in the neighborhood residents. Renteria says new development does not match the architectural character of the older buildings; this creates opposition to the new construction, especially vertical mixed use. Renteria related the opposition to new development is due to clash of cultures, calling the arts related development the "creative class." The opposition has been racially based as well, with Mexican and Hispanic residents lashing out against what they perceive as an influx of white residents; however, Renteria said this view may not reflect the actual circumstances, since many of the speculators are also Mexican-American. However, she points out the residents have a much easier time mobilizing around race.

The process in Austin reveals the difficulty of getting affordability addressed through a process that does not have displacement prevention as a main goal. Another difficulty was the perception of the Saltillo redevelopment as a public housing project, rather than a mixed income project which could provide economic growth to the area. This attitude came from Capitol Metro as well, which made pushing for affordable housing even more difficult. Rogers said that Austin does not have many Community Development Corporations (CDC) (only about twenty citywide), which weakens the role they can play in preventing displacement. Adams advised that city staff or neighborhood groups can only do so much because they need political support in order to truly impact the process.

Adams' advice for financing is to seek out multiple sources, such as bonds, tax credits, and density bonuses to make affordability more financially acceptable for the city (since most of the area of concern is publicly owned land). Additionally, Adams stressed the need for public input and discussion about the factors causing displacement. Renteria says another problem the neighborhood faces is the lack of code enforcement in the past. This led to businesses constructed next to houses, but when Austin began enforcing those standards, existing businesses could not get building permits to make improvements. Apartments above retail have suffered since they were illegal also, but continued to be rented out, leading to decay in the rental housing stock. The creation of vertical mixed use in zoning solved the legality issue, but mixed use zoning has also created opportunity for development not matching the character of the neighborhood (Renteria 2007).

Rogers said the best line of action is to use any affordability tools available. He stressed the importance of acquiring land now, while costs are lower. Once developers being to speculate, the land will become expensive rapidly. Renteria suggested one tool they used to help elderly populations remain in their homes was to allow secondary unit construction. Since it's often cheaper to build a new home than to modify an older home to make it accessible, allowing a second home on one property allows older residents to move in the new unit and have younger family members rent out the old unit. This model fits well with cultural extended family structures, but also created problems in Austin due to second units used as artist studios. In order to keep the secondary units as housing, code rules could require residency of the second units. Limon related that tools to protect businesses would likely take the form of using CDC or city funds to buy down the price of retail space for small businesses and help with business administration.

Denver, Colorado, provides an example of a neighborhood that gentrified and the opinions of the residents changed over time. Denise Sealover of Hope Communities, an affordable housing developer, reports the Five Points neighborhood initially opposed the new light rail. Historically, the neighborhood has been primarily for low-income residents; now, she says, the rental market is split with about half high income housing. She said the neighborhood has changed in favor of mainstream businesses that target the middle and upper class; this change has been difficult for longtime low income residents. She said revitalization is still ongoing to improve crime and abandoned buildings. She related that Five Points would have been better off if the transportation authority had planned for revitalization from the beginning.

The technique the community has used in battling gentrification is through the purchase of land for affordable housing developments. Sealover also reports new developments must meet requirements for affordability, and she said these programs have been successful, but need greater enforcement and expansion. Robin Kneich of the Front Range Economic Strategy Center (FRESC), based in Denver, related some of the other affordability strategies used there. Because FRESC has been in existence only five years, she said it is too soon to evaluate the success of their programs. She said FRESC's affordability efforts have focused on inclusionary housing and increasing rates of home ownership.

One strategy she advocated was land banking, but she also added this tool has not been proven. Affordable housing efforts in Denver are limited because they must deal only with ownership housing; according to Kneich, affordable rental housing requirements are seen as rent control and are illegal. For low income ownership housing, however, Kneich sees linkage fees as a good tool because affordable housing funds are generated by new development projects. This is a good tool because the funds can be used for the types of affordable housing needed most, rather than the developer building it.

For projects on public land, Kniech advocated for including affordability in the request for proposals, which she said worked in Milwaukee and San Jose, but not Denver, due to lack of political support. For retaining small businesses, she said the best technique is to include it in the community benefits agreement. In Denver's Alameda Square, they provided relocation assistance, set aside space for ethnic businesses, focused on construction impacts, and provided smaller spaces with cheaper rents. Overall, her advice was to look for leverage and find out where land is being sold. She said equitable development requires a balance between site specific and community wide needs. Finding a champion in local government or politics who is willing to speak up on behalf of equity is crucial to achieving policy.

Conclusions

The census data gathered suggests that while communities may be changing, identifying light rail as the cause of these changes is perilous. The results showed changes in income and race, but for the most part seem to parallel changes occurring within the whole community, not just near the rail stops. In some cases, these indicators of gentrification seem to show that changes are more extreme in areas without a light rail. Because only two demographic indicators are examined here, there are likely many factors which will never be captured in census data. Also, gentrification trends may correlate with LRT construction, but information is severely lacking to pinpoint LRT as the causal factor in these changes. Future research should include a more comprehensive set of variables, in order to asses the impact of light rail construction alone.

Regardless of whether data supports displacement, planners and community groups must react to those fears. A comprehensive set of policies to prevent displacement will provide the best protection against unwanted community change, while addressing the concerns of residents. Discussions with other communities that have experienced gentrification reveal the best strategy is to implement any and all strategies available, and work in partnerships. There is no quick fix for communities facing gentrification, but with careful planning, neighborhoods can absorb positive benefits and prevent displacement.

Works Cited

Adams, George. Phone interview by Kelcie Young. May 8, 2007.

Bowes, D. and K. Ihlanfeldt. 2001. Identifying the Impacts of Rail Transit Stations on Residential Property Values. *Journal of Urban Economics* 50: 1-25.

Brown, Karen. 2001. *Expanding Affordable Housing Through Inclusionary Zoning: Lessons from the Washington Metropolitan Area.* Prepared by the Brookings Institution on Urban and Metropolitan Policy.

Cervero, R. and M. Duncan. 2001. Rail Transit's Value-Added: Effects of Proximity to Light and Commuter Rail Transit on Commercial Land Values in Santa Clara County, California. *Transportation Research Record* No. 1805.

CamCity Planning Consulting. 2006. Ward 1 Housing and Economic Needs Analysis.

Diaz, R. 1999. Impacts of rail transit on property values. *APTA rapid transit conference proceedings papers.*

Houston Tomorrow. 2006. *Light Rail Construction: Mitigation of Business Interruption.* Gulf Coast Institute.

Kennedy, M. and P. Leonard. 2001. *Dealing with neighborhood change: a primer on gentrification and policy choices.* Discussion paper prepared for the Brookings Institution Center on Urban and Metropolitan Policy and PolicyLink.

Kneich, Robin. 2007. Phone interview by Kelcie Young. April 25, 2007.

Lees, L. 2000. A reappraisal of gentrification: towards a 'geography of gentrification.' *Progress in Human Geography* 24 (3): 389-408.

Levy, D., J. Comey, and S. Padilla. 2006. *In the face of gentrification: Case studies of local efforts to mitigate displacement.* Urban Institute: Washington, D.C.

Limon, John. 2007. Phone Interview by Kelcie Young. May 10, 2007.

Knapp, G., C. Ding, and L. Hopkins. 2001. Do plans matter? The Effects of Light Rail Plans on Land Values in Station Areas. *Journal of Planning Education and Research.*

MARTA. 2006. *Fiscal Year 2006 Annual Report.* Atlanta, GA.

Maryland Transit Administration 2004 Annual Report. 2004. Baltimore, MD

Metropolitan Council. 2007. Central Corridor Draft Environmental Impact Statement Web Site. http://www.metrocouncil.org/transportation/ccorridor/DEIS/DEIS.htm Accessed January 25, 2007.

Miller, Nancy. 2003. *The Face of Affordable Housign, Part II.* Design Center for American Urban Landscape, Design Brief 7: August 2003. University of Minnesota.

Pollack, Stephanie, Kalima Rose, and Dwayne Marsh. 2006. *Building the Line to Equity: Six Steps for Achieving Equitable Transit Oriented Development in Massachucetts.* An Action for Regional Equity Case Statement. PolicyLink.

Rogers, Mark. 2007. Phone interview by Kelcie Young. May 10, 2007.

US Census Bureau. 1990 and 2000. http://factfinder.census.gov/

PolicyLink. 2007. www.policylink.com

Renteria, Lori. 2007. Phone interview by Kelcie Young. May 10, 2007.

Sealover, Denise. 2007. Email interview by Kelcie Young. May 3, 2007.

www.seattle.gov Accessed May 14, 2007.

Zimmerman, Sam. 2007. Phone interview by Kelcie Young. April 6, 2007.